

IRS News Release

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Free File Still Available; Innovative Process Leads to Record Year

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WASHINGTON — The Internal Revenue Service today reminded taxpayers that Free File — the no-cost tax preparation software and electronic filing program — remains available for those taxpayers feeling the press of the April 15 deadline.

Taxpayers can access Free File through the IRS.gov Web site. Each private-sector software provider sets its own criteria for eligibility. This year, several companies are offering free software and free e-filing to all taxpayers. Taxpayers should review all offers to see which may be right for them. The only requirement: taxpayers must enter the Free File program through [IRS.gov](http://irs.gov).

“This is a perfect opportunity for taxpayers to try this innovative and successful program,” said Mark W. Everson, IRS commissioner. “The clock is ticking on the April 15 deadline. There’s no need to be snapping pencils or standing in line at the post office. Taxpayers can use the helpful tax preparation software and electronically file their tax return from their computer.”

More than 4 million tax returns already have been filed through Free File this year, part of a strong year for the overall e-file program.

The initial three-year contract for Free File is ending a successful first run this year. Plans already are underway to extend the program for another three years.

“The partnership between the IRS and the coalition of software providers is a prime example of how the government and the private sector can work together to produce a smart, efficient program that benefits both industry and government customers,” Everson said. “We are committed to continuing this program.”

“No one looks forward to paying taxes, but Free File can make it a good bit easier,” said Secretary of the Treasury John Snow. “Free File is a simple way for people to file their taxes on-line at no cost to the taxpayer. Free File is another example of the President’s vision and expectation that the government run in a more productive, efficient and taxpayer-friendly way.”

The agency will work with the companies to continue addressing improvements that will benefit taxpayers and the Free File program.

Among the areas of concentration by the IRS:

- Security
- Privacy
- Service Quality

Free File made its debut January 2003. More than 2.79 million taxpayers used the program its first year. In 2004, 3.51 million used Free File. So far this year, there are 4.16 million users — a 44.2 percent increase compared to the same period last year. Free File will be available on IRS.gov through October 17.

The Free File program stemmed from negotiations between the government and the industry on ways to provide free tax software and free e-filing services to taxpayers with modest incomes.

The private sector agreed to provide the free services to at least 60 percent of the nation's taxpayers as part of the initial contract. In return, the IRS agreed to not create its own tax preparation software.

Free File is a segment of the IRS e-file program. The IRS created its electronic filing program as a pilot program in 1986. E-file became available nationally in 1990 when 4.1 million taxpayers used e-file to file their federal tax return. This year, the IRS expects to pass a significant milestone: more than half of the nation's taxpayers are expected to use IRS e-file.

IRS e-file is the fastest, safest way to file a tax return whether a taxpayer is due a refund or owes tax. Using IRS e-file — either through a tax preparer, purchased software or Free File — also provides a taxpayer with an acknowledgement receipt so the taxpayer can be assured the IRS received the tax return.

Links:

- Free File — <http://www.irs.gov/efile/article/0,,id=118986,00.html>